A BILL FOR AN ACT

RELATING TO ADVERTISING AND MARKETING.

	BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:
1	SECTION 1. (a) The department of business, economic
2	development, and tourism, in consultation with the department of
3	agriculture, shall conduct a study to assess the impacts of
4	companies selling products in the United States using place-
5	based marketing without any material ties to the State,
6	including:
7	(1) A calculation of the resultant gross domestic product
8	lost due to the non-sale of Hawaii-grown fresh foods
9	and consumer packaged goods that comply with section
10	486-119, Hawaii Revised Statutes; and
11	(2) The economic impact on Hawaii's agricultural community
12	and local businesses actually based in the State or
13	using Hawaii-grown ingredients.

- (b) The study will enable the State to protect itself from economic exploitation and protect consumers against dishonest or misleading marketing.
- 17 (c) For the purposes of this Act, the following
- 18 definitions shall apply:

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- 1 "Gross domestic product" shall mean the total taxable sales
- 2 revenues from the alleged Hawaiian products or consumer packaged
- 3 goods generated by companies exploiting the Hawaii brand.
- 4 "Material ties" shall mean an ingredient or ingredients
- 5 that are grown or sourced in the State and explicitly marketed
- 6 as ingredients derived from the State.
- 7 "Place-based marketing" includes but is not limited to the
- 8 name of any Hawaiian island or district, or marketing the
- 9 product as "Hawaiian".
- 10 (d) The department of business, economic development, and
- 11 tourism shall submit a report of findings resulting from the
- 12 study to the legislature no later than twenty days prior to the
- 13 convening of the regular session of 2020.
- 14 SECTION 2. There is appropriated out of the general
- 15 revenues of the State of Hawaii the sum of \$150,000 or so much
- 16 thereof as may be necessary for fiscal year 2019-2020 for the
- 17 department of business, economic development, and tourism, in
- 18 consultation with the department of agriculture, to conduct a
- 19 study to assess the impacts of companies selling products in the
- 20 United States using place-based marketing without any material
- 21 ties to the State.

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- 1 The sum appropriated shall be expended by the department of
- 2 business, economic development, and tourism for the purposes of
- 3 this Act.
- 4 SECTION 3. This Act shall take effect on July 1, 2019.

Report Title:

DBEDT; DOA; Study; Economic Impact; Marketing; Appropriation

Description:

Requires the Department of Business, Economic Development, and Tourism, in consultation with the Department of Agriculture, to conduct a study to assess the impact of companies selling products in the United States using place-based marketing without any material ties to the State. Appropriates funds for the study. (CD1)

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